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REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

Integration of the Commission on Transnational Corporations into the institutional machinery of the United Nations Conference on Trade and Development

Note by the Secretariat

By its resolution 1994/1 of 14 July 1994, the Economic and Social Council recommended to the General Assembly the adoption of a draft resolution entitled "Integration of the Commission on Transnational Corporations into the institutional machinery of the United Nations Conference on Trade and Development". The text of the draft resolution is reproduced below.

"Integration of the Commission on Transnational Corporations into the institutional machinery of the United Nations Conference on Trade and Development

"The General Assembly,

"Reaffirming its resolution 47/212 B of 6 May 1993, adopted in the context of the ongoing restructuring of the United Nations in the economic and social fields, and endorsing the Secretary-General's decision to consolidate all activities related to transnational corporations within the United Nations Conference on Trade and Development,

"Recognizing the key role of international investment, as well as the role of other international market-driven capital flows, in the promotion of global economic growth and development,

"Affirming the unique value to the international community of the United Nations intergovernmental deliberations on such issues,

"Recognizing the need for improved efficiency and effectiveness within the United Nations system in addressing international investment issues, and recognizing that such improvements are attainable through improved rationalization of both United Nations intergovernmental meetings and Secretariat resources,

"Considering the 1993 relocation of the Transnational Corporations and Management Division of the former Department of Economic and Social Development of the United Nations Secretariat to the secretariat of the United Nations Conference on Trade and Development as the Division on Transnational Corporations and Investment,

"Bearing in mind the work of the Commission on Transnational Corporations over its past twenty sessions and that, in recent years, the activities of the Commission have placed greater emphasis on the contribution of transnational corporations to economic growth and development, strengthening cooperation between host developing countries and transnational corporations, facilitating flows of foreign direct investment, and exploring linkages among capital flows, technology dissemination and acquisitions, and trade in goods and services, as well as the fact that this shift has resulted in an increase in the number of elements common to the Commission's activities and those of the Trade and Development Board and its subsidiary bodies,

"Mindful of the need to avoid unnecessary duplication of work among United Nations bodies,

"Bearing in mind Economic and Social Council resolution 1913 (LVII) of 5 December 1974, in particular paragraphs 3 and 4 thereof, the document entitled "A New Partnership for Development: The Cartagena Commitment", 1/ adopted by the United Nations Conference on Trade and Development at its eighth session, held at Cartagena de Indias, Colombia from 8 to 25 February 1992, and General Assembly resolution 47/183 of 22 December 1993, in which the Assembly reaffirmed the important role of the United Nations Conference on Trade and Development, inter alia, as the most appropriate focal point within the United Nations for the integrated treatment of development and interrelated issues in key areas, including trade, commodities, finance, investment, services and technology, in the interests of all countries, particularly those of developing countries,

"1. Decides that the Commission on Transnational Corporations should become a commission of the Trade and Development Board and be renamed the Commission on International Investment and Transnational Corporations;

1/ Proceedings of the United Nations Conference on Trade and Development, Eighth Session, Cartagena de Indias, Colombia, Report and Annexes (United Nations publication, Sales No. E.93.II.D.5), part one, sect. A.

"2. Requests the Trade and Development Board to address urgently the question of orienting the programme of work of the Commission on International Investment and Transnational Corporations on the basis of recommendations made by the Commission on Transnational Corporations at its twentieth session that the Board should orient the work in such a way as to attract attendance of relevant senior public sector officials, whenever possible, as well as private sector representatives, and that the work should include:

"(a) Promoting the exchange of views and experience among interested Governments, businesses, intergovernmental organizations, non-governmental organizations, trade unions and experts on issues relating to international investment, transnational corporations and the creation of an enabling environment for private sector and enterprise development;

"(b) Reviewing and providing guidance to the Secretariat with regard to its research activities and the provision of information on policies, programmes and developments related to international investment and transnational corporations and the creation of an enabling environment for private sector and enterprise development;

"(c) Reviewing and providing guidance to the Secretariat on technical assistance to Governments interested in developing investment regimes and enabling environments so as to attract more foreign investment and support for enterprise developments, thereby contributing to economic growth and development of host countries;

"3. Requests the Secretary-General to restore in full the resources of the programme on transnational corporations as originally allocated in the proposed programme budget for the biennium 1994-1995 and in accordance with General Assembly resolution 48/228 A of 23 December 1993;

"4. Invites Member States and interested parties to increase financial support for technical cooperation, consultative and advisory services, training, research and information activities in the field of foreign investment;

"5. Decides that the Commission will keep under review the work of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, whose next session is to be held at Geneva in the first half of 1995;

"6. Also decides that the next session of the Commission should be held at Geneva in the first half of 1995."